



Revision number: 4

Purchasing Agent: Roselle Miller

Item: Collection Services

Vendor: 94038A

Allied Interstate Inc
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Minneapolis MN 55426

Internet Homepage: www.alliedinterstate.com

Telephone: (952) 595-2308

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Contact: Fred Lundquist

Email address: flundquist@irmc.com

Brand/trade name: N/A

Price: See Attached Price Schedule

Terms: N/A

Effective dates: 05/15/03 through 05/14/08

Days required for delivery: N/A

Price guarantee period: 90 Days

Minimum order: N/A

Min shipment without charges: N/A

Other conditions: One five year renewal option

PLEASE NOTE: NEW CONTACT PERSON.

This is a multiple award. Also see MA1669 and MA1670.

This contract covers only those items listed in the price schedule. It is the responsibility of the agency to ensure that other items purchased are invoiced separately. State agencies will place orders directly with the vendor (creating a PG in Finet) and make payments for the same on a PV referencing the original PG. Agencies will return to the vendor any invoice which reflects incorrect pricing.



Political subdivisions may work directly with the contact person and establish their service level agreement. Attached, as a sample only, is the Office of State Debt Collections agreement. Also attached are the overall performance standards from Allied Interstate Inc=s proposal.

State agencies are represented by the Office of State Debt Collection except for the Tax Commission and the Office of Recovery Services.

Collection fee: 9.2%

FINET COMMODITY CODE(S):
94633000000-COLLECTION SERVICES

SERVICE LEVEL AGREEMENT

This Service Level Agreement is an addition to contract MA_____ and defines procedures, processes and expectations relative to system interfaces, payment processes, receivable referrals and acknowledgements, reporting, and performance requirements that are unique to each agency.

A GENERAL GUIDELINES

It is agreed between the State and the Contractor that:

1. Work performed by Contractor representatives and their systems will meet Minimum Collection Performance Standards outlined in Chapter 2 of the RFP. Performance will be verified in annual audits of Contractor's work by OSDC, or the State.
2. **Level of effort provided:**
 - a. At least quarterly, OSDC and Contractor will verify the full inventory and resolve any discrepancies as defined below.
 - b. OSDC and Contractor will provide cross training to enhance understanding of procedures, processes, regulations and applicable laws.
 - c. Regular meetings will be scheduled to discuss progress towards desired results and resolve any issues outstanding.
 - d. Primary accounts placed greater than 365 days that have met the performance standard without resolution shall be returned to OSDC as unable to collect unless a different time frame is negotiated between OSDC and the Contractor.
 - e. All files transferred shall be electronic and in the stated format below.
 - f. Performance will be measured by Revenue collections based on deposits deposits, compliance with performance standards as measured by audit, and resolved accounts as measured through return codes.
3. **Return Date Age Criteria**
 - a. If the account is being collected through monthly payments, and all payments are current and remain current, the account may remain assigned until paid in full.
 - b. When the Contractor has exhausted all efforts in collecting an account, the account shall be returned to OSDC as unable to collect regardless of whether the placement period is met or not.
 - c. Primary placement accounts with no contact or agreements in place that have aged one year since placement shall be returned to the OSDC as unable to collect.
 - d. Secondary placement accounts with no contact or agreements in place that have aged twelve months from placement shall be returned to the OSDC unless a different time period is negotiated between the Contractor and OSDC.
4. **Fair Debt Collection Practices Act**
 - a. Third-Party Collection Agencies collecting on government accounts are not held to the Fair Debt Collection Practices Act, however, the State expects the same behavior to be followed in order to ensure Utah debtors are treated fairly and respectfully in accordance with the act.
 - b. The Selected Contractor(s) shall **supply the OSDC with a copy of any internal policies related to the Fair Debt Collection Practices Act.** Also refer to Addendum A of the Contract.
 - c. Selected Contractor(s) will maintain a list of authorized users and is subject to audit at any time by the OSDC or the State.

5. Bankruptcy/Death Certificates

- a. Bankruptcy notices and death certificates received by the Contractor shall be forwarded to the OSDC within 1 day of receipt.
- b. Contractor will close accounts upon receipt of the bankruptcy notice or the death certificate.

6. Electronic File Transfers

- a. All electronic files must comply with formats defined by or agreed to by OSDC. Any electronic files that do not comply with the defined or agreed to format will be void and a corrected file will be required.
- b. Electronic files will be loaded on and retrieved from the State's FTP Server. Files will remain on the server in an archive file for a period of one week.

7. Recalls

- a. OSDC may request an account be pulled, placed on hold, or recalled for either business or political purposes (ex. Bankruptcies, sent in error, etc.).
- c. The recall of an account is reflected in the transaction file. The account is adjusted to zero through adjusting the sub-account balances to zero. A zero balance is also reflected in the Balance update file.

B. OSDC RESPONSIBILITIES

OSDC agrees to do the following and to use the file layouts provided below.

1. COST OF COLLECTION

- a. The cost of collection is collected from the debtors. OSDC is responsible to track, calculate, update and add the collection costs to the account.
- b. **OSDC will accrue the interest and the related cost of collection daily.** The accrued amounts are included in the account balances in the Balance Update File that is transmitted to the contractor daily (see #5 below).
- c. The accrued interest and costs of collections will post to the accounts quarterly unless a payment or adjustment is made on the account.
- d. When any type of transaction occurs on an account, the accrued interest and costs of collection will be posted to the account. The Contractor will be advised of these postings through the daily transaction file.

2. PLACEMENTS

- a. **OSDC will place accounts electronically on Monday of each week** providing performance standards are being met by the Contractor and no technical issues or business reasons warrant not making a weekly placement. Should issues warrant weekly placements to be cancelled, OSDC will notify the Contractor in writing via email, of the business reasons and expected resolution to resume scheduled placements.

PLACEMENT FILE LAYOUT

RECORDS

HEADER RECORD

Record Type (H)
Vendor Name Code
File Date

FIELD SIZE

Char (1)
Char (4)
Date (mm/dd/yyyy)

MASTER RECORD

Primary Key – Account #, Agency Number, Agency program

Record Type (M)
Acct #
Agency Number

Char (1)
Char (15)
Char (3)

Agency Program	Char (4)
First name	Char (20)
Last name	Char (30)
Addr1	Char (30)
Addr2	Char (30)
City	Char (20)
State	Char (2)
ZIP	Num (10)
SS/Fed ID	Num (9)
Birth date	Date (mm/dd/yyyy)
DL Number	Char (15)
DL State	Char (2)
Home phone	Num (10)
Work phone	Num (10)
Employer Info.	
Employer Name	Char (30)
Employer Phone	Num (10)
Balance Owed at Time of Placement	
Principal	Num (12)
Penalty	Num (12)
Interest	Num (12)
Cost of Collection	Num (12)
Total Placed	Num (12)
Placement Status (P – Primary, S – Secondary)	Char (1)
Date Placed	Date (mm/dd/yyyy)
OTHER PARTIES	
Primary Key – Account #, agency #, agency program, Record type	
Record Type (P)	Char (1)
Acct #	Char (15)
Agency Number	Char (3)
Agency Program	Char (4)
Party Type	Char (1)
First Name	Char (20)
Last Name	Char (30)
Addr1	Char (30)
Addr2	Char (30)
City	Char (20)
State	Char (2)
ZIP	Num (9)
Other Party Phone #	Num (10)
RECEIVABLE DESCRIPTION	
Primary Key = Acct. #, Agency Number, Agency Program, Sequence #	
Record Type (D)	Char (1)
Acct #	Char (15)
Agency Number	Char (3)
Agency Program	Char (4)
Sequence #	Char (2)
Description	Char (30)
Violation date	Date (mm/dd/yyyy)
Violation location	Char (30)
TRAILER RECORD	
Record Type (T)	Char (1)

No. of Accounts
Dollars Placed

Num (5)
Num (12)

3. DEBTOR PAYMENTS

- a. OSDC is responsible to receive, deposit, post, reverse, and re-apply all payments received for or from debtors including those from state agencies, the contractor, and garnishments.
- b. OSDC will post payments the day payments are received. The Contractor will be notified of the payments and be able to update the Contractor's system from the Transaction and Balance Update files.
- c. OSDC will accept credit card payments on behalf of the Contractor. For purposes of automation, ease of reconciliation, and billing, the contractor will be charged OSDC's average total discount rate of 1.75% of the payment amount regardless of what the actual charge is from the various Credit Card Companies. Based on historical data from the first of the year, the credit card actual charges averaged 1.75% of the payment amount. This amount will be charged for the first six months of the contract. The fee may change every six months based on the actual charges of the past period. The contractor will be notified of the change one month prior to implementation.
- d. The contractor and OSDC will come up with a procedure for OSDC to take credit card payments from the contractor that ensures the customer follows through with making the payment. The credit card fees will be netted against the commission owed the contractor on the Commission Remittance Advice described below.
- e. The contractor will notify OSDC of their intent to use the credit card program prior to the collection program being implemented. At that time, the process of how this will be accomplished will be identified and made a part of the SLA.

4. TRANSACTION FILES/CODES

- a. OSDC will FTP a transaction file daily by 2:00 a.m. MST to the State FTP Server. The purpose of this file is to provide a list of transactions by account number that have an impact on the account balances. The file may have any or all of the transaction codes listed below. The file will have fields identified in the Transaction File Layout.
- b. The transaction code identifies the type of transaction/payment processed, whether the payment is guaranteed or not guaranteed, and whether a commission is earned.
- c. Guaranteed payments are payments such as cash, money orders, Finders deposits, certified checks, credit card payments etc.
- d. OSDC will send Guaranteed payments in the daily transaction file the following day after receipt.
- e. Non-Guaranteed payments are payments made with personal checks, auto-pays and etc.
- f. OSDC will send Non Guaranteed payments in the daily transaction file the following day after receipt.
- g. When a payment is dishonored, an adjustment will be sent in the transaction file adjusting the balances of the various sub accounts within the account balance.
- h. Accounts that are recalled/closed and subsequently replaced, will be reopened through adjustments entered on the transaction file.

TransCode	Description	Guarant	Commission
1001	Auto Pay	N	Y
1002	Income tax	Y	N
1003	Cash	Y	Y
1004	Money Order	Y	Y
1005	Check	N	Y
1006	Title (Vendor)	Y	Y

1007	Title Company	Y	N
2001	Credit Card Pmt..	Y	Y
3001	Re-apply Auto Pay	N	Y
3002	Re-apply Income tax	Y	N
3003	Re-apply Cash	Y	Y
3004	Re-apply Money Order	Y	Y
3005	Re-apply Check	N	Y
3006	Re-apply Title (Vendor)	Y	Y
3007	Re-apply Title Company	Y	N
4001	Re-apply Credit Card Pmt.	Y	Y
5001	NSF Check	Y	Y
5002	Reversals	Y	Y
5003	Partial Reversals	Y	Y
5004	Refund	Y	Y
5005	Partial Refund	Y	Y
6001	Adjustment	Y	N
6002	Settlement	N	N
6101	Recall Placed in Error	N	N
6102	Write-Off	N	N
6501	Recall Time Up	N	N
6502	Recall Legal	N	N
6503	Recall OSDC	N	N
6504	Vendor Exhausted Coll.	N	N
7001	Reopen	Y	N

TRANSACTION FILE LAYOUT

RECORDS

HEADER RECORD

Record Type (H)
Vendor Name Code
Date

FIELD SIZE

Char (1)
Char (4)
Date (mm/dd/yyyy)

TRANSACTION FILE

Record Type (P)
Transaction No.
Transaction Code
Acct #
Agency Number
Agency Program
Contractor file# (if available)
Check/MO #
Amounts applied to or reduced from Principal
Amounts applied to or reduced from Penalty
Amount applied to or reduced from interest
Amount applied to or reduced from the Cost of Collection
Total
Commission Earned
Credit Card Discount Fee
Transaction Date

Char (1)
Num (10)
Char (4)
Char (15)
Char (3)
Char (4)
Char (10)
Num (15)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Date(mm/dd/yyyy)

TRAILER RECORD

Record Type (T)
No. of Accounts

Char (1)
Num (5)

Net Transaction amount Total

Num (12)

5. ACCOUNT BALANCE UPDATE FILE

- a. The Account Balance Update File shows the current balance owed on each account. For information purposes, each account balance will display the amounts owed in Principal, interest, and cost of collection.
- b. The Account Balance Update file will show a zero balance on accounts that are recalled or closed by the State.
- c. The information in the Account Balance Update is the total amount owed on the account and is the information Account Representatives should use in their daily collection activities.
- d. To provide your organization with the ability to quote payoffs, the daily accrual amount for interest and cost of collection is provided in this file.
- e. The Account Balance Update File will be generated daily, and loaded on to the State's FTP Server by 2:00 a.m. MST each day.

ACCOUNT BALANCE UPDATE FILE LAYOUT

RECORDS

HEADER RECORD

Record Type (H)
Vendor Name Code
Date

FIELD SIZE

Char (1)
Char (4)
Date (mm/dd/yyyy)

BALANCE UPDATE FILE

Record Type (B)
Acct #
Agency Number
Agency Program
Principal
Penalty
Interest
Cost of Collection
Total
Cost of Collection Accrual number
Balance Date

Char (1)
Char (15)
Char (3)
Char (4)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Num (12)
Date (mm/dd/yyyy)

TRAILER RECORD

Record Type (T)
No. of Accounts
Total Owed

Char (1)
Num (5)
Num (12)

6. DEMOGRAPHIC FILE

- a. To provide updated demographic information to the Contractor, OSDC will load a demographic file on the State's FTP server each Monday at 2:00 a.m. MST.

HEADER RECORD

Record Type (H)
Vendor Name Code
Date

Char (1)
Char (4)
Date (mm/dd/yyyy)

DEMOGRAPHIC UPDATE

Record Type (D)
Acct #

Char (1)
Char (15)

Agency Number	Char (3)
Agency Program	Char (4)
First Name	Char (20)
Last Name	Char (30)
Addr 1	Char (30)
Addr2	Char (30)
City	Char (20)
State	Char (2)
Zip	Num (9)
SS/Fed ID	Num (9)
Birth date	Date (mm/dd/yyyy)
DL Number	Char (15)
DL State	Char (2)
Home phone	Num (10)
Work phone	Num (10)
Employer Name	Char (30)
Employer Phone	Char (10)
Change Reason code	Char (1)

NOTES RECORDS

Record Type	(N)	Char (1)
Acct #		Char (15)
Agency		Char (3)
Agency program		Char (4)
Sequence #		Num (4)
Notes		Char (50)

TRAILER RECORD

Record Type	(T)	Char (1)
# of records		Num (5)

7. COMMISSION REMITTANCE ADVICE

- a. Commissions on guaranteed payments are earned at the time the guaranteed payment is received. OSDC will pay these commissions on the 10th day of each month following the month the guaranteed payments are received.
- b. Commissions on non-guaranteed accounts are earned when a payment is received and the 30-day wait period has expired. Commission on these accounts will be paid the 10th day of each month following the 30-day wait period.
- c. No commissions are earned or paid on payments that are dishonored during the 30-day wait period.
- d. When a payment is reversed from one account and reapplied to another account, the commission will be deducted from the misapplied account and added to the account where the payment is being re-applied. This may result in misapplied payment commissions being deducted from future Remittance Advices.
- e. The first week of each month, OSDC will prepare a Commission Remittance Advice listing:
 - The sequence # for the payment,
 - The Contractor file # the payment is applied to,
 - The payment amount,
 - The commission earned,
 - Adjustments to the commission, if applicable,
 - Credit card discount fees if applicable
 - Commission status ("P" means commission is earned and is being paid, "O" means commission is earned but outstanding. Commissions with a status of "O" will be paid to

the Contractor on the first Commission Remittance Advice after the 30 day wait period related to non guaranteed payments).

Net commission owed on the account.

- f. The Remittance Advice will be totaled by status code.
- g. Commission Payments will be paid electronically through an ACH transfer. The Remittance advice will be loaded on the State's FTP Server on or before the 10th day of each month.
- h. When the Contractor identifies a commission payment error, OSDC will research the error and send a response or issue a check for the amount owed within 10 working days from the date written notification is received from the Contractor.

COMMISSION REMITTANCE ADVICE

HEADER RECORD

Record Type	(H)	Char (1)
Vendor Name Code		Char (4)
Date		Date (mm/dd/yyyy)

OUTSTANDING REMITTANCE ADVICE

Record Type	(O – Outstanding Payments)	Char (1)
Transaction No.		Num (10)
Transaction Code		Char (4)
Transaction Date		Date (mm/dd/yyyy)
Acct #		Char (15)
Agency Number		Char (3)
Agency Program		Char (4)
Contractor file #		Char (10)
Payment Amount		Num (12)
Commission Earned		Num (12)
Less Credit Card Discount Fee		Num (12)
Commission to be Paid		Num (12)

REMITTANCE ADVICE

Record Type	(R - Payments Remitted)	Char (1)
Transaction No.		Num (10)
Transaction Code		Char (4)
Transaction Date		Date (mm/dd/yyyy)
Acct #		Char (15)
Agency Number		Char (3)
Agency Program		Char (4)
Contractor file #		Char (10)
Payment Amount		Num (12)
Commission Earned		Num (12)
Less Credit Card Discount Fee		Num (12)
Commission Paid		Num (12)

TRAILER RECORD

Record Type	(T)	Char (1)
Total Dollars Collected		Num (12)
Total Commission Earned		Num (12)
Total Credit Card Fees		Num (12)
Total Payment (Amt of ACH transfer)		Num (12)
# of records		Num (5)
Total "O" Outstanding Commission Earned		Num (12)
# of records		Num (5)

C. CONTRACTOR RESPONSIBILITY

1. PLACEMENTS

- a. The Contractor will work with OSDC to develop an interface that allows the placement of accounts from OSDC to be received by and placed on the Contractor's system electronically.
- b. The Contractor will place accounts referred by OSDC on the Contractor's system within two days of the file transfer date from OSDC.
- c. The Contractor will return an electronic placement acknowledgement file to OSDC by 3:00 p.m. MST on Wednesday of each week.
- d. All accounts in a placement file must be accounted for on the acknowledgement report (those placed and those not placed).
- e. Contractor will resolve placement discrepancies with OSDC by Friday of each week.
- f. Contractor will develop the acknowledgement file format, identify the file name and electronically FTP the file to the State's FTP Server on the date and time identified in "c" above.
- g. Contractor will work with OSDC to develop the interface for OSDC to receive the acknowledgement file.

2. PAYMENTS

- a. The Contractor will instruct debtors to send payments directly to "**Office of State Debt Collection, PO BOX 141001, Salt Lake City, UT 84114-1001**".
- b. All payments, including auto-pays, and cash received by the Contractor, shall be sent over-night to the address in "a" above on the same day the payment is received by the Contractor. A list showing the Contractor file #, the State account #, debtor name, and the check amount for each payment shall be included in the over-night mail envelope.
- c. Payments made direct to the Contractor **shall not be posted** to the Contractor's system. The Contractor's systems will be updated with the payments in the Account Balance Update or Transaction files sent the next day after payments are received.

3. TRANSACTION, BALANCE UPDATE, COMMISSION ADVICE, AND DEMOGRAPHIC FILES

- a. The Contractor will develop interfaces to receive all OSDC data files, load the files, and electronically update the accounts on the Contractor's system.

4. GUARANTEED AND NON-GUARANTEED PAYMENTS

- a. The Contractor will immediately update Contractors accounts for all guaranteed and non-guaranteed payments received through the transaction file from OSDC.
- b. Each payment should be identified as guaranteed or non-guaranteed on the Contractor's system to facilitate tracking of commission payments and reconciliation.

5. INTEREST

- a. To facilitate the accuracy in quoting customer payoffs including cost of collection through the payoff date, the Contractor should use a program that calculates the number of days between the last interest posting date and the proposed payoff date. The cost of collection accrual number provided by OSDC in the daily Account Balance Update file should be multiplied by the number of days calculated above to come up with total amount owed for the specified payoff date.
- b. When quoting account balances, the account representatives need to calculate interest to the date when the check is received or if there is no payoff date, tell the customer the balance changes daily because of the daily accrual of some of the costs of collection.

6. COMMISSIONS

- a. The Contractor shall notify OSDC in writing or through E-Mail of commission payment errors.

- b. The CONTRACTOR will have up to 60 days from the date the commission payment is made by OSDC to identify and submit the errors to OSDC for correction. After 60 days, OSDC will not correct accounts or pay the difference unless there is good cause. Good cause is determined by OSDC.

7. REACTIVATING ACCOUNTS

- a. The Contractor cannot re-activate accounts unless permission is received from OSDC and OSDC re-establishes the account with the contractor through adjustments on the Transaction and Balance Update files. Accounts opened without proper authorizes are not eligible for commission payments.

8. DEMOGRAPHICS

- a. The Contractor will develop the file format for sending new demographic information to OSDC, identify the file transfer name, and work with OSDC to develop an interface for OSDC to receive the file. The demographics file needs to identify the date the new information is received.
- b. The Contractor will FTP the file to the State's FTP Server each Friday.

9. RECALLS

- a. Accounts on the Contractor's system will be closed electronically with the OSDC Balance Update File. The Contractor shall make sure all accounts with a zero balance in the Balance Update File are closed in the Contractor's system to avoid collection letters being sent to debtors after the accounts are closed.

10. PERFORMANCE REPORTS

- a. Performance reports must be sent electronically each month detailing dollars placed, dollars collected, inventory by date progress, accounts cleared, accounts returned at client request, and percent of placements collected.
- b. Any accounts returned at the request of the OSDC should be removed from the placement total to accurately calculate the percent of accounts collected compared to the accounts placed.

11. INVENTORY FILE / RECONCILIATION

- a. At the end of every quarter, (September, December, March, and June) an inventory balancing process will take place. On the last day of each quarter, the Contractor will send an electronic inventory file to OSDC that includes all open accounts, all accounts closed and returned to OSDC during the quarter, and all accounts paid in full. OSDC will compare the balances on the Contractor file to those in the OSDC System. An exception list will be generated by OSDC and sent to the Contractor. Contractor shall correct their balances to agree with OSDC balances.
- b. The Contractor will develop the file format for the inventory file, identify the file transfer name, and work with OSDC to develop an interface for OSDC to receive the file.

12. ACCESS TO CONTRACTOR'S SYSTEM

- a. The Contractor shall provide read only continuous access to their system from 6:30 a.m. MST through 6:00 p.m. MST. Multiple logins will be required to track account progress and activity.

13. CONTRACTOR RETURNED ACCOUNTS

- a. When the Contractor has exhausted all efforts in collecting an account, the account should be returned electronically to OSDC on Friday of each week and not housed in some type of hold status and retained by the Contractor.
- b. The Contractor will develop the file format for the file to return the accounts, identify the file transfer name, and work with OSDC to develop an interface for OSDC to receive the file.

14. PROOF OF CLAIM

- a. Proof of claims will be maintained by OSDC. Request from the Contractor for Proof of Claims should be in writing and sent through E-Mail. The Contractor should aware that the Courts plus many other State agencies do not provide proof of claims.

15. BILINGUAL CAPABILITIES

- a. Contractor will provide OSDC with a list of people that speak Spanish or other languages so people with language problems can be forwarded to a person who can assist them.

16. CONTRACTOR ISSUE RESPONSE

- a. Contractor will provide OSDC with a single person for initial issue contact. All issues relating to OSDC will be presented to the contact person. The contact person will respond back to OSDC within four hours with issue resolution or an estimated time to complete issue resolution.
- b. For some IT issues, OSDC's experience is that problem solving is more effective and efficient when OSDC is able to speak directly with the IT person supporting OSDC processes. OSDC request this be allowed. This would bypass the initial issue contact person. However, the initial issue contact person would "CC" on all communications to ensure their awareness of all issues between the contractor and OSDC. **Please provide the IT direct contact names.**

17. CONTRACTOR EMPLOYEE QUESTIONS

- a. All Contractor employee questions related to receivables will be sent through the Contractor contact person. They will be directed to a single person at OSDC.

2.6 Performance Standards

Allied Interstate has read and understands the State of Utah's request to establish specific, measurable performance standards for each of the elements described in Section 2.6. Allied Interstate has many performance standards already in place (described below) and will discuss and negotiate additional performance standards and specific measures upon award of contract.

E. Auditing and Monitoring Standards

Monitoring and Measuring Performance	<p>Purpose:</p> <ul style="list-style-type: none">▪ To efficiently monitor accounts in order to increase productivity of employees and ensure full compliance with contract and regulations <p>Discussion Points:</p> <ul style="list-style-type: none">▪ Create daily statistics and post them▪ Give employees a list of expectations or a sample review sheet and have employees set personal goals▪ Sit side by side with the new Patient Account Representatives and follow-up
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By monitoring daily, we are able to discover trends with individual collectors as well as an entire client portfolio, and address these trends immediately. In addition, the information documented from monitoring a phone call is an invaluable training tool in determining areas for improvement or additional training. We address issues immediately either through supplementary training of the Account Specialist or the entire unit. This proactive approach provides Account Specialists with immediate, specific training and mentoring that ensures appropriate and effective interaction with the consumer.

Supervisors and Quality Assurance personnel are required to perform 10 random monitors each day. Every Account Specialist is monitored daily. Supervisors and Quality Assurance personnel use a form that captures critical information, for which the Account Specialist is scored. Our Account Specialists must maintain a passing score of 80% or higher, or a percent designated by the existing SLAs with the client.

Metrics

Examples of specific metrics that are often used for the monitoring include the following:

- Adherence to work effort standards, including:
 - Notices
 - Phone calls
 - Payment Arrangements
 - Account Specialist Activity Notes
- Demonstrated service to consumers by evaluating:
 - Professionalism
 - Proper Identification
 - Accurate Assistance
 - Account Resolution
 - Customer Retention Efforts
 - Account Follow-up

F. Collection Performance Standards

Allied Interstate sets out a work plan and collection standards for all accounts placed (see a general overview of this work plan included in Section 3.9 A, page 55). Included in this collection plan is a timeline for collections that adheres to all Due Diligence standards and outlines the level of collection effort for each placement range.

Upon negotiation of SLAs and collection performance standards, Allied Interstate will provide the State of Utah with documentation outlining these standards against which we will be audited annually.

H. Behavioral and Customer Service Standards

Performance issues are communicated to Account Specialists on a daily basis via a one-on-one meeting with a QA Team member, Supervisor, or Manager. The meeting strategy is to:

- Review all account activity
- Determine additional training needs
- Prevent future performance issues
- Encourage ownership of the accounts
- Provide ongoing motivation

We will use quality assurance metrics and monitoring in supervisory reviews with Account Specialists to make sure they are as effective as possible. These reviews will occur regularly, approximately once every other week. During the reviews, the QA Specialist or Supervisor will review audits and monitoring with the individual Account Specialist. These leaders reinforce an

Account Specialist's strengths and point out areas needing improvement, including unacceptable conduct. Additionally, the Supervisor or QA Specialist can schedule the Account Specialist for immediate training. Training might include one-on-one sessions or formal classroom instruction based on the individual Account Specialist's needs.

Audit and Monitor Guidelines

Allied Interstate will negotiate SLAs for the State of Utah's desired Audit and Monitor guidelines upon notification of contract award.

I. Right Party Contacts

Allied Interstate's collection system and integrated dialer platform automatically records numbers dialed, and notes the associated account. We will run reports to identify right-party contact statistics. This report can be forwarded to the State of Utah at the desired frequency, and we are open to negotiating SLAs that will address right-party contacts as a part of this contract.

When contact with a debtor is made, our Account Specialists are trained to verify the identity of the individual through a series of questions and by obtaining a unique identifier (often the SSN). Until the party on the line has appropriately satisfied the Account Specialist that they are indeed, the "right-party" the Account Specialist will not bring up any information considered confidential under state tax and collection laws.

In addition, as part of our FDCPA training and certification, Account Specialists are taught to identify themselves and the reasons for their call at the appropriate time, to protect both the consumer and our client from any accusation of FDCPA violation or fraud. Account Specialists take this very seriously, since neglecting to use the Mini-Miranda or properly identify themselves to a debtor is an infraction that may result in termination.

K. Accurate Payoffs

Before notifying any debtor that their account has been paid-in-full, it is Allied Interstate's policy to obtain confirmation from the client of the full account balance. Any errors in quoting accurate payoffs beyond that point usually fall to Allied Interstate to absorb the difference.

We would be happy to establish SLAs governing the acceptable rate and amount of accurate payoffs achieved on the State of Utah's portfolio, and will negotiate this, and all other SLAs at the time of contract award.